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September 2, 2005

Hon. James H. Welsh
Commissioner of Conservation
Office of Conservation
Post Office Box 94275
Baton Rouge, Louisiana 70804-4275

Re: Bolivina Perca Zone, Reservoirs S through AA
South Thornwell Field
Cameron Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY ONSHORE, LLC** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the establishment of rules and regulations and the creation of a single drilling and production unit for the Bol Perca Zone, Reservoirs S, T, U, V, W, X, Y, Z and AA, all in the South Thornwell Field, Cameron Parish, Louisiana:

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Bol Perca Zone, Reservoirs S through X, all in the South Thornwell Field, Cameron Parish, Louisiana, said units to be designated BOL P RS SUA, BOL P RT SUA, BOL P RU SUA, BOL P RV SUA, BOL P RW SUA and BOL P RX SUA, BOL P RY SUA, BOL P RZ SUA, and BOL P RAA SUA.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. To provide that any future wells drilled to the above mentioned zones and reservoirs within or outside of the proposed unit, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
4. To provide that the Commissioner of Conservation should be authorized to reclassify each of the proposed zones and reservoirs by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

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5. To consider such other matters as may be pertinent.

The Bol Perca Zone, in the South Thornwell Field, was previously defined in Office of Conservation Order No. 479-C-34, effective March 11, 2003, and said definition should be made applicable to each of the proposed units.

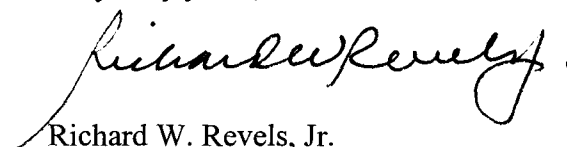
Pertinent data, including well logs, may be obtained AT THE COST OF THE REQUESTING PARTY from David Comeaux at Leon Comeaux & Associates, Post Office Box 53922, Lafayette, Louisiana 70505, Telephone Number (337) 233-9839.

Pursuant to the Revised Rules of Procedure, a pre-application conference was held in Lafayette, Louisiana, on July 20, 2005, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the bases for the units being requested. Questions were asked and answered. Representatives of Blue Moon Exploration Company presented a counterplan that included three additional units for Reservoirs Y, Z and AA. Differences between the parties could not be resolved and the conference was then adjourned. As a result of further discussions with Blue Moon, the applicant has agreed to move the east line of the units for Reservoirs S and T slightly west to accommodate Blue Moon's request, and also, it has agreed to adopt and propose the three additional units suggested at the conference by Blue Moon, all as shown on the revised plat attached hereto.

Attached hereto and made a part hereof is a plat outlining the applicant's revised unit proposal, along with the conference attendance list and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check on behalf of the applicant, in the amount of \$755.00 made payable to the Office of Conservation and representing the required hearing application fee.

Very truly yours,



Richard W. Revels, Jr.

RWRjr/dbf
Attachments
18029.0032
144965_1.DOC

cc: Mr. Richard Hudson, Lafayette District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties

